



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Funding Highlights:

- Provides \$46.7 billion for Department of Housing and Urban Development (HUD) programs, including funding to expand the number of rental assistance vouchers and increase homeless assistance for vulnerable families, as well as for targeted neighborhood investments to help revitalize high-poverty neighborhoods. This includes:
 - Funding rental housing assistance to support 4.5 million low-income families, including Housing Choice Vouchers for 2.2 million very low-income families;
 - Investing \$2.4 billion for Homeless Assistance Grants to continue progress toward the Administration's goals of ending chronic homelessness and homelessness among veterans and families;
 - Expanding affordable housing for the elderly and persons with disabilities by providing \$45 million to assist over 5,000 new households;
 - Investing \$120 million to transform neighborhoods with distressed HUD-assisted housing and concentrated poverty into opportunity-rich, mixed-income neighborhoods through the Choice Neighborhoods program;
 - Investing \$15 billion in the Project Rebuild program to help hardest hit communities reduce blight from foreclosed and abandoned homes and turn the corner to recovery;
 - Providing \$1 billion to capitalize the Housing Trust Fund to expand the supply of housing targeted to extremely low-income families; and
 - Providing \$650 million to address the housing needs of Native American Tribes and \$332 million for the Housing Opportunities for Persons with AIDS program.

Opportunity, Growth, and Security Initiative:

- Through the Opportunity, Growth, and Security Initiative, supports:
 - An additional 7 to 10 Choice Neighborhood grants to revitalize distressed areas; and
 - Increased job training and financial incentives for a total of 50,000 households in public housing through Jobs-Plus, an evidence-based program that has been shown to boost annual incomes by \$1,300 on average.

Reforms:

- Proposes a series of reforms to the Community Development Block Grant and HOME Investment Partnerships programs to improve administrative efficiency, drive regional coordination, and ultimately strengthen the long-term viability of the programs.

The Department of Housing and Urban Development's (HUD) mission is to create strong, sustainable, inclusive communities and help all Americans who need quality, affordable housing. To achieve this mission, HUD supports home ownership, access to affordable housing free from discrimination, and community development. HUD's work is critical to the Administration's efforts to strengthen communities, bolster the economy, and improve the quality of life for the American people. The Budget provides \$46.7 billion for HUD programs to support these efforts, \$1.2 billion above the 2014 enacted level. Funding is prioritized to protect vulnerable families and to revitalize neighborhoods with distressed HUD-assisted housing and concentrated poverty. At the same time, the Budget includes tough choices required by the constrained fiscal environment, including funding reductions to project-based rental assistance and community development, and some curtailment of the expansion of new construction of affordable housing.

Provides Housing Assistance to Vulnerable Families

Supports Affordable Rental Housing for 4.5 million Families. The Budget includes \$20 billion for the Housing Choice Voucher program, \$0.9 billion more than the 2014 enacted level, to help more than 2.2 million very low-income families afford decent housing in neighborhoods of their choice. This funding level not only supports all existing vouchers, but restores reductions in assisted housing units that resulted from the 2013 sequestration funding cut and provides an additional 40,000 new vouchers, including 10,000 for homeless veterans as discussed below. The Budget also includes \$9.7 billion for the Project-Based Rental Assistance program to

maintain affordable rental housing for 1.2 million families. This amount is \$0.2 billion below the 2014 enacted level, but sufficient to continue assistance to the same number of units currently subsidized. Further, the Budget provides \$6.5 billion in operating and capital subsidies to preserve affordable public housing for 1.1 million families, an increase of \$0.3 billion over the 2014 enacted level. An additional \$10 million for the Rental Assistance Demonstration (RAD) will be targeted to public housing properties in high-poverty neighborhoods, including designated Promise Zones, where the Administration is also supporting comprehensive revitalization efforts. RAD leverages private financing to reduce backlogs of capital repairs and the Budget proposes to eliminate the cap on the number of units eligible for this demonstration.

Makes Progress on the Federal Strategic Plan to Prevent and End Homelessness.

The Budget provides \$2.4 billion for Homeless Assistance Grants, \$0.3 billion above the 2014 enacted level. This funding supports new permanent supportive housing units and maintains over 330,000 HUD-funded beds that assist the homeless nationwide. In addition, under the Housing Choice Voucher program, the Budget proposes \$75 million to expand assistance under the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program to 10,000 homeless veterans. Supported by the collection of robust data and using best practices from across the Nation, this evidence-based investment will continue to make progress toward the President's homelessness goals, including providing the resources needed to end veterans homelessness by 2015 and to end chronic homelessness by 2016. Between 2010 and 2013, homelessness among veterans declined by 24 percent, and the total number of

individuals experiencing chronic homelessness on a single night declined by 15.7 percent.

Invests in High-Poverty Communities

Transforms Distressed HUD-Assisted Housing and High-Poverty Neighborhoods.

The Budget provides \$120 million for Choice Neighborhoods to change neighborhoods of concentrated poverty into opportunity-rich, mixed-income neighborhoods. This funding level, \$30 million above the 2014 enacted level, will be used to revitalize HUD-assisted housing and surrounding neighborhoods through partnerships between local governments, housing authorities, nonprofits, and for-profit developers. Preference for these funds will go to designated Promise Zones—high-poverty communities where the Federal Government is working with local leadership to invest and engage more intensely to create jobs, leverage private investment, increase economic activity, reduce violence, and expand educational opportunities. To further support Promise Zones, the Budget includes companion investments of \$100 million in the Department of Education’s Promise Neighborhoods program and \$29.5 million in the Department of Justice’s Byrne Criminal Justice Innovation Grants program, as well as tax incentives to promote investment, jobs, and economic growth. To help public housing residents increase their employment and earnings, the Budget also provides \$25 million for the evidence-based Jobs-Plus program, a \$10 million increase over the 2014 enacted level. Through Jobs-Plus, public housing residents receive on-site employment and training services, financial incentives that encourage work and “neighbor-to-neighbor” information-sharing about job openings, training, and other employment-related opportunities. Rigorous evaluations have found that this program improves employment outcomes for public housing residents who participate.

The Opportunity, Growth, and Security Initiative includes \$125 million more for Jobs-Plus to increase employment opportunities for a total of 50,000 public housing residents. It also includes an additional \$280 million for Choice Neighborhoods and \$75 million for Integrated

Planning and Investment Grants. These investments will help fully realize the President’s vision for Promise Zones, and assist communities in developing comprehensive housing and transportation plans that help expand economic opportunity.

Helps Hardest Hit Communities Turn the Corner to Recovery

The Budget provides \$15 billion for the Project Rebuild program. This funding builds on the proven success of the Neighborhood Stabilization Program by helping hardest hit communities address blight and rehabilitate homes in struggling neighborhoods. In addition to partnering with local governments, Project Rebuild funding will support new and existing community land banks, incentivize private investments in hardest hit communities, and fund job training programs to strengthen local workforce capacity. Collectively, these programs will stabilize neighborhoods and help the worst-affected communities turn the corner to recovery.

Supports the Housing Sector with Household Counseling

The Budget provides \$60 million for the HUD Housing Counseling program, a \$15 million increase over the 2014 enacted level. This funding increase recognizes the program’s improved performance, including grant administration that is timelier and less burdensome on applicants. The Budget also includes \$50 million for the National Foreclosure Mitigation Counseling program, which is administered by the Neighborhood Reinvestment Corporation, a federally-chartered non-profit organization.

The Budget includes a demonstration project for the Homeowners Armed With Knowledge project (HAWK) program. This program will test designs and incentives for combining Federal Housing Administration-insured mortgages with housing counseling to improve the availability and sustainability of homeownership for first-time homebuyers.

Makes Tough Choices, but Strengthens the Long-Term Viability of Block Grant Programs

The Budget provides \$2.8 billion for the Community Development Block Grant program and \$950 million for the HOME Investment Partnerships Program. These funding levels represent a total decrease of \$280 million below the 2014 enacted level for these two programs. However, the Budget also proposes a series of

reforms to improve the programs' performance by eliminating small grantees, thereby improving efficiency, driving regional coordination, and supporting grantees in making strategic, high-impact investments that address local community goals. To support affordable housing priorities, the Budget also proposes an investment of \$1 billion in mandatory funding for the Housing Trust Fund to create approximately 16,000 affordable units for extremely low- and very low-income households.